

AIR QUALITY FUND

The Air Quality Fund was established in FY/95 to comply with the Federal Clean Air Act Amendments of 1990. The Air Quality Fund is comprised of the Operating Permits Program and the Vehicle Pollution Management Program. The Operating Permits Program regulates the manner in which all industrial and commercial sources of air pollutants operate, while the Vehicle Pollution Management Program administers the motor vehicle inspection and maintenance program and oxygenated fuels programs.

MISSION

To protect and enhance air quality for current and future generations and thereby protect public health, economic well-being and aesthetic values for the community by limiting impacts to air quality by industrial and other sources, as well as by minimizing harmful vehicle emissions through the design and operation of cost-effective prevention and control programs.

FISCAL YEAR 2007 HIGHLIGHTS

The Air Quality Division's FY/07 proposed budget reflects an increase of 19.9% over the FY/06 approved budget. This increase is attributed mainly to non-recurring or one time purchases in FY/07. There is sufficient available fund balance to cover the one time costs and sufficient revenues to cover the 3.4 percent increase in recurring costs. Two positions move from the Air Quality Fund to the General Fund as intra year moves in FY/06 and result in cost savings of \$98 thousand to the Air Quality Fund.

OPERATING PERMITS

The FY/07 request for the Operating Permits program is approximately \$1.8 million and includes one time funding in the amount of \$200 thousand for information technology projects. One of the projects is to convert Microsoft access databases to Oracle based in order to improve the compatibility with other City information technology systems. The second is a project to evaluate air pollution standards within the City of Albuquerque and Bernalillo County in order to maintain federal requirements.

The FY/07 proposed budget also includes a request to purchase two new 4-wheel drive diesel trucks necessary for the fugitive dust and stationary source inspection staff. Many of the fugitive dust construction sites, aggregate processing plants, and cement plants require vehicles with a higher clearance and 4-wheel capability. These diesel trucks will be able to utilize Bio-Diesel as the fuel source which may assist in the reduction of air pollutants associated with green house gas emissions. The proposed vehicles will replace two year 2000 gasoline

powered Ford Ranger 2-wheel drives that exhibit poor gasoline economy.

An M16 Environmental Scientist position is also requested in FY/07 to process and issue air quality permits. According to the department, the current level of staff is not able to process and keep up with the increased number of air quality permit applications. Revenues are sufficient to cover the cost of the position. Furniture and equipment related to the position is requested at a one time cost of \$14 thousand.

In addition, two volatile organic compound (VOC) leak check analyzers in the amount of \$5 thousand are requested for inspection of gas bulk terminals, gasoline stations and asphalt emulsion plants. These analyzers are used to detect volatile organic compound emissions that result from faulty or leaky pipes and tanks. Early detection of VOC's can assist in protecting public health. The final request for the Operating Permits program is \$150 thousand in a one time cost for replacing the heating and air conditioning system at the Air Quality Westside building.

VEHICLE POLLUTION

The FY/07 request for the Vehicle Pollution Management program is approximately \$1.7 million and includes funding for the implementation of the first phase of the "commuter rule" program. The "commuter rule" requires emissions testing for vehicles driven into Bernalillo County for 60 days or more in a calendar year. A one time request in the amount of \$200 thousand for the purchase of a license plate recognition and data analysis system is required to implement the first phase of the "commuter rule" program. A database administrator II position in the amount of \$92 thousand, a Honda Civic gas/electric hybrid sedan for \$23 thousand, and a remote sensing/commuter electronic message board in the amount of \$7.5 thousand are also requested for the implementation of the "commuter rule" and other remote sensing programs.

In order to improve the testing of diesel vehicles, the department is requesting a one time purchase of \$50 thousand for a chassis dynamometer. A Honda Civic gas/electric hybrid sedan is requested to replace an older and less efficient vehicle and four new laptop computers to replace older, obsolete laptops at a total one time cost of \$39 thousand are also included in the FY/07 proposed budget.

AIR QUALITY FUND

(\$000's)	UNAUDITED ACTUAL FY/05	ORIGINAL BUDGET FY/06	REVISED BUDGET FY/06	ESTIMATED ACTUAL FY/06	PROPOSED BUDGET FY/07	PROP 07/ EST ACT 06 CHG
PROGRAM STRATEGY SUMMARY BY GOAL:						
GOAL 5: ENVIRONMENTAL PROTECTION & ENHANCEMENT						
<u>AIR QUALITY FUND - 242</u>						
Operating Permits - 242	1,336	1,429	1,429	1,309	1,785	476
Vehicle Pollution Management - 242	1,115	1,423	1,423	1,288	1,661	373
Bonus Program	0	0	0	0	0	0
Trfr from Fund 242 to Fund 110	112	130	130	130	128	(2)
Total Air Quality Fund - 242	2,563	2,982	2,982	2,727	3,574	847
TOTAL - GOAL 5	<u>2,563</u>	<u>2,982</u>	<u>2,982</u>	<u>2,727</u>	<u>3,574</u>	<u>847</u>
TOTAL APPROPRIATIONS	<u>2,563</u>	<u>2,982</u>	<u>2,982</u>	<u>2,727</u>	<u>3,574</u>	<u>847</u>
TOTAL FULL TIME POSITIONS	32	32	32	30	32	0

AIR QUALITY FUND 242 RESOURCES, APPROPRIATIONS, AND UNRESTRICTED FUND BALANCE

(\$000's)	UNAUDITED ACTUAL FY/05	ORIGINAL BUDGET FY/06	REVISED BUDGET FY/06	ESTIMATED ACTUAL FY/06	PROPOSED BUDGET FY/07	PROP 07/ EST ACT 06 CHG
RESOURCES:						
Miscellaneous Revenues	36	0	0	8	0	(8)
Charges for Services	2,775	2,475	2,475	2,607	2,605	(2)
Total Current Resources	2,811	2,475	2,475	2,615	2,605	(10)
Beginning Fund Balance	1,408	1,656	1,656	1,656	1,544	(112)
TOTAL RESOURCES	<u>4,219</u>	<u>4,131</u>	<u>4,131</u>	<u>4,271</u>	<u>4,149</u>	<u>(122)</u>
APPROPRIATIONS:						
Operating Appropriation	2,451	2,852	2,852	2,597	3,446	849
Transfer to Other Funds	112	130	130	130	128	(2)
TOTAL APPROPRIATIONS	<u>2,563</u>	<u>2,982</u>	<u>2,982</u>	<u>2,727</u>	<u>3,574</u>	<u>847</u>
FUND BALANCE PER CAFR	<u>1,656</u>	<u>1,149</u>	<u>1,149</u>	<u>1,544</u>	<u>575</u>	<u>(969)</u>
ADJUSTMENTS TO FUND BALANCE	(38)	1	1	1	1	0
AVAILABLE FUND BALANCE	<u>1,618</u>	<u>1,150</u>	<u>1,150</u>	<u>1,545</u>	<u>576</u>	<u>(969)</u>